Government of Saskatchewan

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending September 25, 2015

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Sept. 25/2015	Average	$378.50	$340.83	$305.75	$287.38	$266.25	$251.88	$241.25
Sept. 25/2015	Range	358-420	320-385	298-338	275-307	257-282	240-262	220-255
week/week	Change	-$2.67	-$5.84	-$21.50	-$5.12	-$14.00	-$11.75	-$11.03
Sept. 18/2015	Average	$381.17	$346.67	$327.25	$292.50	$280.25	$263.63	$252.28
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
Sept. 25/2015	Average	$316.75	$310.50	$278.00	$258.17	$251.67	$235.88	
Sept. 25/2015	Range	302-340	294-335	261-306	241-279	244-262	226-245	
week/week	Change	-$12.42	-$0.75	-$11.00	-$8.58	-$8.03	-$8.50	
Sept. 18/2015	Average	$329.17	$311.25	$289.00	$266.75	$259.70	$244.38	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficient data.

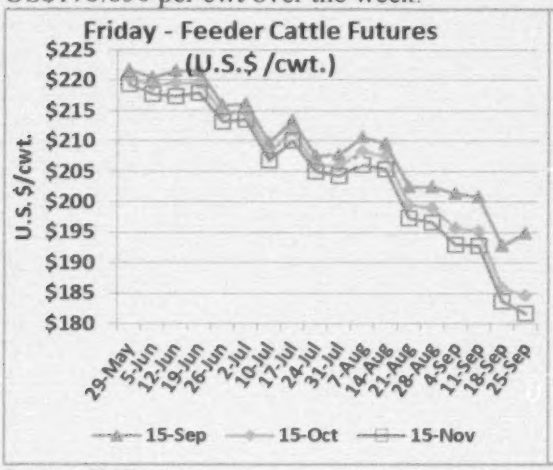
Canfax reported that a total of 6,914 head of cattle were sold in Saskatchewan this week, down from 8,604 head marketed the previous week. Feeder cattle price ranges in most weight categories were wider than the previous week, likely on more volatility in the cattle markets.

Saskatchewan feeder steer prices over the week were noticeably lower. Prices from the previous week ranged between $2.67 per cwt lower to $21.50 per cwt lower. The 500-600 lb. feeder steer weight category had the largest decline losing $21.50 per cwt. Weight categories over 700 lb. had large losses all declining over $11 per cwt. Feeder steer prices overall averaged about $10 per cwt lower over the week.

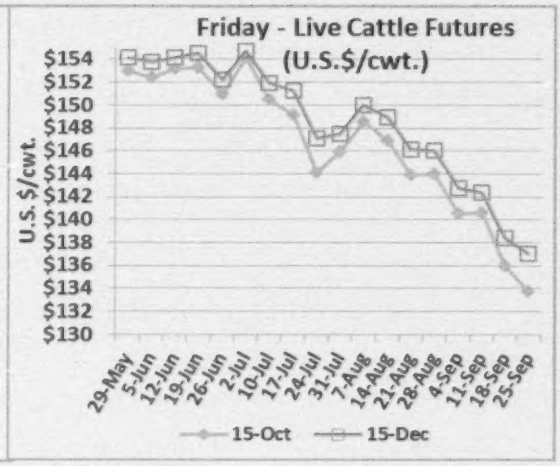
Saskatchewan feeder heifer prices over the week were also lower in all the weight categories. Feeder heifer prices over the week declined between $0.75 per cwt and $12.42 per cwt. The light weight 300-400 lb. weight category had the largest decline losing $12.42 per cwt. Feeder heifer prices overall averaged about $8 per cwt lower over the week.

The Saskatchewan 750 lb. feeder steer basis compared to the September 24, 2015, U.S. feeder cattle index at US$194.81 per cwt was calculated at **+$6.85** per cwt (US$194.81/0.7510-$266.25), a basis widening of $9.03 per cwt from the basis of **+$15.88** per cwt the previous week. While the basis did widen significantly this week it was the fifth week in a row that Saskatchewan cattle had a positive basis.

Feeder cattle futures prices had another volatile week declining significantly earlier in the week before partially rebounding on Friday with limits higher, but still overall lower week-over-week. The September contract increased US$2.01 per cwt to expire at US$194.810 per cwt. The October feeder cattle futures contract declined US$1.225 per cwt to settle Friday at US$184.600 per cwt, while the November contract declined US$2.025 per cwt to settle Friday at US$181.600 per cwt. The October feeder cattle futures contract ranged between US$177.10 and US$188.950 per cwt over the week, while the March 2016 contract ranged between US$166.775 and US$178.650 per cwt over the week.



Source: CME



Source: CME

Live cattle futures prices were also lower over the week with larger losses earlier in the week before rebounding on Friday. Weekly prices still ended lower, week-over-week. The nearby October contract declined US2.300 per cwt to settle Friday at US$133.700 per cwt, while the December contract declined US$1.375 per cwt to settle Friday at US$137.000 per cwt. The December live cattle futures contract ranged between US$131.70 and US$140.40 per cwt over the week, while the February 2016 live cattle futures contract ranged between US$132.450 and US$141.075 per cwt over the week.

Iowa cash corn prices were higher week-over-week increasing 12 cents to settle on Friday at US$3.53 per bushel. Corn futures prices were also higher over the week. The December corn futures contract increased almost 12 cents over the week to settle Friday at $3.89 per bushel.

Fed and Non-fed Cattle

	September 25, 2015	September 18, 2015	Change over Week
Steers (Alberta)			
Live	$169.67	N/A	N/A
Rail	$278-$285	N/A	N/A
Cows (Alberta)			
D1,2 Live	$131.50	$134.00	-$2.50
D3 Live	$119.00	$121.13	-$2.13
Rail	$250-255	$255-260	-$5.00

Source: Canfax. (n/a = not available, n/c = no change)

Prices for liveweight, non-fed cattle in Alberta were again lower over the week. For the week, D1,2 slaughter cows declined $2.50 per cwt to average $131.50 per cwt, while the price of D3 slaughter cows declined $2.13 per cwt to average $119.00 per cwt.

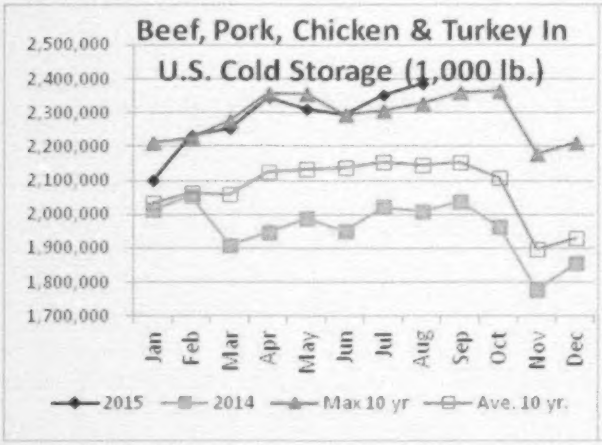
Fed cattle prices in Western Canada for Alberta fed steers were reported to average $169.67 per cwt. There were no reported prices the previous week. Prices from two weeks ago (Sept. 11) were reported to average $180.10 per cwt, over $10 per cwt higher than the current weekly price.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$128.61 per cwt, down US$6.32 per cwt from US$134.93 per cwt the previous week, and down 18.0 per cent from US$156.75 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$202.44 per cwt, down US$10.19 per cwt from US$212.63 per cwt the previous week, and down 17.6 per cent from US$245.78 per cwt the same week a year ago.

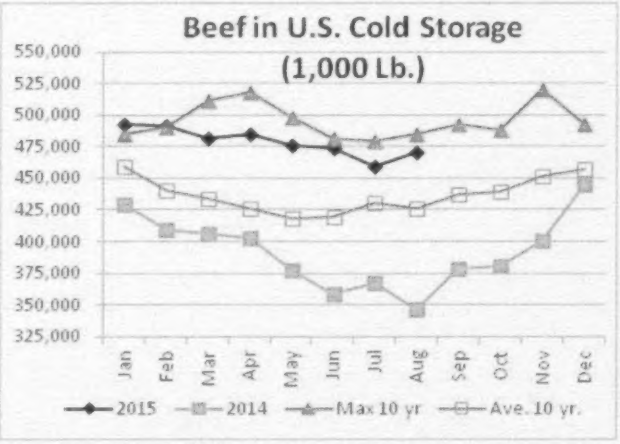
Choice beef cutout prices (600-900 lb.) averaged US$218.66 per cwt over the week, down US$13.11 per cwt or 5.7 per cent from US$231.77 per cwt the previous week, and down 8.7 per cent from US$239.62 per cwt the same week a year ago. The large decline in beef cutout values over the week is likely a big factor influencing cattle prices lower.

Beef production for the week ending September 26 was estimated at 482.9 million lb., steady from 482.8 million lb. the previous week, but up 2.6 per cent from 470.6 million lb. the same week a year ago. Cattle slaughtered over the week were estimated at 574,000 head, down slightly from 576,000 head the previous week, but up slightly from 573,000 head a year ago.

USDA released the latest U.S. cold storage numbers on September 22. The United States' beef stocks in cold storage totaled 470.4 million lb. on August 31, 2015, up 2.4 per cent from 459.5 million lb. on July 31, 2015, and up 35.7 per cent from 346.6 million lb. on August 31, 2014. U.S. beef stocks in cold storage are above the average historical levels (10 yr.) and close to the maximum (10 yr.) levels for August.



Source: NASS, LMIC



Source: NASS, LMIC

United States combined pork, beef, chicken and turkey stocks in cold storage totaled 2.385 billion lb. on August 31, 2015, up 1.3 per cent from 2.353 billion lb. on July 31, 2015, and up 18.6 per cent from 2.011 billion lb. on August 31, 2014. Total U.S. meat in cold storage for August 2015 was above the maximum storage level for August (10 yr.) and just over the maximum total level over the last ten years.

Friday Price Information

Product		This Week (Sept. 25, 2015)	Week of: (Sept. 18 , 2015)	Week of: (Sept. 26, 2014)
Canadian Dollar (closing rate US$)		.7510	.7566	.8965
U.S. Cash Cattle				
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		194.81	200.02	230.48
Seven-day Weighted Average FC Index Wt. (lb.)		756	762	758
Live Fed 5-area Steer Price (US$ per cwt)		128.61	134.93	156.75
Feed Grains				
Barley	Lethbridge ($/tonne)	N.A.	N.A.	165.00
	($ per bu.)	N.A.	N.A.	3.59
Corn	Iowa State Average (CDN$/tonne)*	185.05	174.43	129.54
	(US$ per bu.)	3.53	3.41	2.95
	Omaha, NE (CDN$/tonne)*	186.62	184.72	130.86
	(US$ per bu.)	3.56	3.55	2.98
Futures				
	Dec. Corn (US$ per bu.)	3.89	3.77¼	3.23
	March Corn (US$ per bu.)	4.00¼	3.88½	3.35¾
	October Live Cattle (US$ per cwt)	133.700	136.000	158.450
	December Live Cattle (US$ per cwt)	137.000	138.375	162.100
	Sept. Feeder Cattle (US$ per cwt)*expiry	194.810	192.800	230.480
	November Feeder Cattle (US$ per cwt)	181.600	183.625	231.600

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate (This week it is Thursday's CDN$)

For more information contact:

Brad Marceniuk, PAg
Livestock Economist
306-933-5098
brad.marceniuk@gov.sk.ca